

## PALOMAR AIRPORT ADVISORY COMMITTEE

Thursday, April 17, 2008

### AGENDA ITEM #6

#### WESTERN FLIGHT, INC. (LEASES 1, 2 and 3) SECOND AMENDMENTS TO AVIATION LEASES NEGOTIATED RENTAL ADJUSTMENT

On December 10, 2003 (12), the Board of Supervisors approved three thirty-year aviation leases with Western Flight, Inc. (Lease 1, 2 and 3) for 3.41, 4.12 and .45 acres respectively, at McClellan-Palomar Airport. Western Flight, Inc. is a full-service Fixed Base Operator with three separate leaseholds at McClellan-Palomar Airport. Leases 1 and 3 are located in a non-landfill impacted area. Lease 2 is located in a landfill-impacted area.

The Leases were previously amended on December 6, 2006 to extend the term by ten (10) years. County Airports has worked with Western Flight, Inc. in negotiating the following rental increases for these leaseholds to be effective on August 15, 2008. The proposed increases will result in Western Flight's rent being consistent with other ground rents at Palomar Airport.

#### Lease 1 and 3 - Second Amendment to Aviation Lease (County Contract No. 75728R and 75730R) (non-landfill impacted rate)

The proposed second amendment to this Lease will amend the rental section to reflect the current base rent of (\$6,598.34 Lease 1 and \$870.75 Lease 3) and set a new base rent for annual cost of living adjustments.

Approval of the proposed Second Amendment will raise the base monthly rent to (\$7,211.23 Lease 1 and \$951.63 Lease 3) effective August 15, 2008. The base monthly rent will be subject to annual cost of living adjustments and rent renegotiation in five (5) years.

#### Lease 2 - Second Amendment to Aviation Lease (County Contract No. 75729R) (landfill impacted rate)

The proposed second amendment to this Lease will amend the rental section to reflect the current base rent of \$5,314.79 and set a new base rent for annual cost of living adjustments.

Approval of the proposed Second Amendment will raise the base monthly rent to (\$6,789.80) effective August 15, 2008. The base monthly rent will be subject to annual cost of living adjustments and rent renegotiation in five (5) years.

#### Recommended Motion

*"Palomar Airport Advisory Committee recommends that the Board of Supervisors approve the Second Amendment to Aviation Lease between the County of San Diego and Western Flight, Inc. (County Contract Numbers 75728R, 75729R and 75730R)"*